

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

COMPETITIVE PRODUCT PRICES
INBOUND COMPETITIVE MULTI-SERVICE AGREEMENTS WITH
FOREIGN POSTAL OPERATORS
UNITED STATES POSTAL SERVICE CONTRACTUAL BILATERAL
AGREEMENT – FY22-2 (MC2010-34)
NEGOTIATED SERVICE AGREEMENT

Docket No.
CP2022-36

**RESPONSE OF THE UNITED STATES POSTAL SERVICE TO
CHAIRMAN'S INFORMATION REQUEST NO. 1**
(December 27, 2021)

The United States Postal Service hereby provides its response to Chairman's Information Request No. 1, issued on December 20, 2021. The question is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

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Please refer to the financial workpapers filed in support of the instant FPO-USPS FY22-2 Agreement.¹ The financial workpapers include negotiated rates for inbound ECOMPRO parcels. To calculate costs and revenues associated with the delivery of projected ECOMPRO parcels under the FPO-USPS FY22-2 Agreement, the Postal Service uses weight and cost data for inbound air parcels for Fiscal Year 2020. In Docket Nos. MC2017-58 and CP2017-86, the Postal Service proposed to change the wording of Mail Classification Schedule (MCS) section 2310.6 to read “The Universal Postal Union Postal Operations Council (POC) sets the amount paid for incoming air parcel flows tendered by postal operators with which there is no contractual relationship governing the applicable price, except when such rates are otherwise fixed by the POC upon notification by the Postal Service or except when such fixed rates are bilaterally discounted.”² In Order No. 3748, the Commission did not approve filing discounted ECOMPRO prices under future bilateral agreements due to the inability to assess whether “future bilateral ECOMPRO discounted agreements would comport with the provisions applicable to prices for competitive products” in Docket Nos. MC2017-58 and CP2017-86.³ Accordingly, the Commission did not approve the proposed revisions to MCS section 2310.6 to incorporate discounted ECOMPRO price agreements. *Id.* Please explain the basis for including the ECOMPRO offering under the FPO-USPS FY22-2 Agreement.

RESPONSE:

Please see Non-public Response, filed under seal.⁴

¹ See Excel file “NONPUBLIC-USPS-CP2022-36-EMS_Parcel.xls.”

² Docket Nos. MC2017-58 and CP2017-86, Notice of the United States Postal Service of Filing Changes in Rates Not of General Applicability for Inbound Parcel Post (at UPU Rates), Change in Mail Classification Schedule, and Application for Non-Public Treatment, December 19, 2016, at 5-6 (edit and underlining in the original).

³ See Docket Nos. MC2017-58 and CP2017-86, Order Approving in Part Classification Changes for Inbound Parcel Post (at UPU Rates), January 11, 2017, at 9 (Order No. 3748).

⁴ The Postal Service incorporates by reference the Application for Non-public Treatment of Materials that it filed in this case. See Notice of United States Postal Service of Filing Functionally Equivalent Inbound Competitive Multi-Service Agreement with Foreign Postal Operator – FY22-2, Docket No. CP2022-36, December 13, 2021, at Attachment 1 (Application of United Postal Service for Non-Public Treatment of Materials).